

Dear Mr SIU

**Consultant and Professional Services Provider (PSP) Handbook (Beta Version) for Works Related Agreements**

Thank you for inviting the Institution to provide views on the captioned Handbook.

The Institution supports the Handbook which describes the processes and practices of consultant and Professional Services Provider (PSP) appointment and administration in the Housing Department associated with the works projects of the Housing Authority (HA).

With regard to *Section 4.11 Provision of Body-shop Services* and *Section 5.10 Rate for Provision of Body-shopped Personnel*, we note that the notional sum (on-cost rate) for the provision of body-shop services is required at the HA's tender submission and will form part of the lump sum price to be assessed. Although the body-shop services are only required to be provided when the Director Representative (DR) directs, we are aware that the body-shopped personnel may carry out not only building services engineering works for the awarded project but also any other projects or construction contract(s)/ works directed by the DR. Considering that this requirement is not directly relevant to the consultancy services of a particular project, the Institution suggests that the Administration may further review and consider the procurement and assessment process requesting the notional sum for the provision of body-shop services, which may affect the overall fee assessment.

For *Section 5.12 Payment for Additional Services*, although the PSPs/ consultants are free to enter all-inclusive maximum time charge rates for additional services in their fee proposals at the tender submission stage and also entitled to payment for the performance of any services which could not reasonably have anticipated at the time of entering into the agreement, it is noted that the assessment on additional services mainly rely on the agreement by the DR to the claims raised by the PSPs/ consultants. The Institution suggests that the Administration may also further review and provide clear guidelines for fair assessment on additional services and works done by the PSPs/ consultants, such as prolongation of project programme either during the individual design stage or construction stage or overall project programme, etc.

Thank you for your attention.

Regards

Monica YUEN (Mrs)

Chief Executive & Secretary

The Hong Kong Institution of Engineers